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Discount Store News®

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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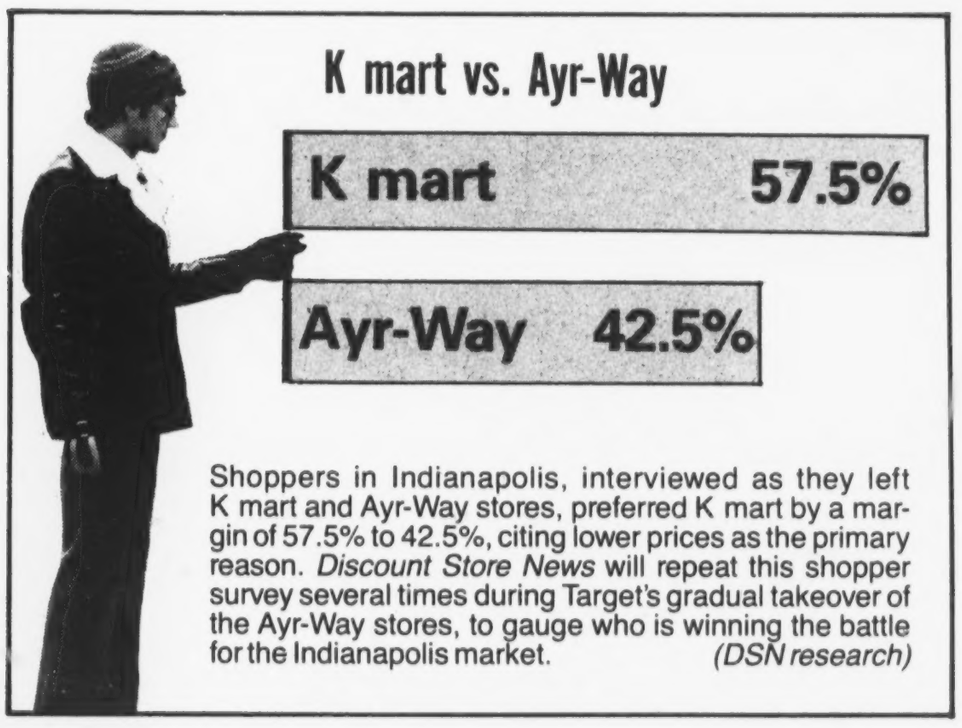

Shoppers in Indianapolis, interviewed as they left K mart and Ayr-Way stores, preferred K mart by a margin of 57.5% to 42.5%, citing lower prices as the primary reason. *Discount Store News* will repeat this shopper survey several times during Target's gradual takeover of the Ayr-Way stores, to gauge who is winning the battle for the Indianapolis market. *(DSN research)*

Poll: Ayr-Way Customer Base Will Support Target Takeover

DSN Analysis

INDIANAPOLIS—Ayr-Way has built a solid base of customers here who are likely to feel very comfortable in Target's upscale, neat-as-a-pin stores.

While K mart's strong consumer franchise here—based primarily on low prices—can not be ignored, Ayr-Way customers indicated (in a poll of shoppers taken by *Discount Store News*) that quality merchandise, clean stores and convenient locations are important.

The poll also found Ayr-Way customers were more affluent, made average purchases almost double the amounts spent at K mart, and were more likely to shop conventional department stores in Indianapolis.

This all points to an opportunity for Target to move very smoothly into the Ayr-Way stores with little danger of displacing the existing customer base, while also getting a shot at attracting dollars that were, in the past, spent at Block's and Ayrs—the chains mentioned most often by Ayr-Way customers as "other department stores most frequently shopped."

The opportunities for Target lie in housewares, hardware,

(Continued on page 5)

Discounters and Catalogers Attack Threatened FTC Warranty Crackdown

Nationwide DSN Report

Discounters and catalogers alike are angry over recent Federal Trade Commission (FTC) threats to "crack down" on enforcement of presale warranty availability.

"Instead of cracking down on a regulation that costs retailers and consumers a lot of money, and doesn't benefit either one, the FTC should be looking for ways to make retailing more productive as a business," said Jamesway chairman Herb Fisher.

The FTC has warned that any failure to comply with the law making warranty information available to consumers could result in a $10,000 fine for each violation, should less stringent enforcement efforts fail.

Irving Rosenbaum, chairman of S. E. Nichols, asserted his chain makes every effort to comply with the law and vowed "we will fight," should the FTC try to impose any fine.

Much of the anger comes from an apparent lack of consumer interest in seeing warranty information before the sale.

"We're still waiting for the first customer to come in and ask for our warranty book," said Alvin Glosser, president and chief operating officer of Glosser Bros.

The FTC is aware of Glosser Bros.' experience with the warranty book, as that chain was one of 17 called upon by the National Mass Retailing Institute (NMRI) to show the Commission what the response of their customers had been to the presale information.

"We sent 500 store-manager

(Continued on page 64)

Pistner 'Targeted' For Top Ward's Job

(At presstime, Montgomery Ward and Dayton Hudson were expected to announce the selection of Dayton Hudson's Stephen L. Pistner as the new president and chief operating officer of Montgomery Ward.)

NEW YORK—Steve Pistner's selection to head Montgomery Ward seems almost preordained.

Mobil Oil, parent of Montgomery Ward, would very much like its retailing division to emulate the success that Dayton Hudson has had with Target—where the discounting "tail" has started to wag the dog.

Pistner's situation at Montgomery Ward is a reprise of the circumstances he faced

(Continued on page 64)

Wall Decor Consolidated for Upgraded Fashion Look

Nationwide DSN Report

Wall decor departments are becoming more important in discount department stores, as buyers flock to the high-margin, seldom promoted and not highly customer-identifiable profit builders that make up most wall decor assortments.

Like domestics, apparel and furniture—other departments that have gone fashionable—wall decor offers an opportunity to build a solid profit producer in a category (home decor) that is experiencing rapid sales increases.

While wall decor is normally segmented throughout the store as space allows, many buyers said the category could

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Framed pictures are getting better treatment: Typically used as main aisle traffic draws in chains like TSS (insert) the category is now getting mini-department status, here within Jefferson's home decor department. *(DSN photos)*

Caldor/ADG Merger Proposal Unveiled

NORWALK, Conn.—Carl Bennett, president of Caldor, has dropped the other shoe.

Last year, when Bennett disposed of large blocks of his personally held Caldor stock, most industry observers and analysts felt certain there was more to it than Bennett's avowed desire for cash, or his gradual weaning of Caldor from his leadership.

Bennett has maintained that there are several—at one time he said six—"young tigers" in the Caldor organization who can run the company in his absence, whether short-term or permanent.

Now, with the announcement of the proposed merger of Caldor and Associated Dry Goods (ADG), Bennett has answered those critics by making the resources—management and financial—of ADG available to fuel Caldor's continued growth.

Cash in the amount of $135 million, and 2.8 million shares of ADG convertible preferred (worth approximately $140 million with a likely coupon added) make up the ADG offer, which also includes an option of taking five-year nontransferable notes from ADG, to a maximum of $38.5 million.

The five-year notes will be issued only to shareholders electing to receive them, and will not be issued in denominations under $25,000—making them unattractive to most shareholders. Institutions do not want nontransferable notes, nor do they wish to forego a voice in the operation of the company. For small shareholders, the $25,000 minimum gets in the way.

But for Bennett, the five-year notes could ease the tax burden of this deal by spreading his profits out over

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Upbeat Note Rings Out At Jan. Housewares Show

CHICAGO—Upbeat was the word discount store and catalog showroom merchandisers and manufacturers used to describe the January housewares show.

The positive signs ticked off by merchandisers from such chains as Best Products, Jefferson/Wards, Zodys, Jamesway, H. J. Wilson, Venture, Rose's, Caldor, W. Bell, Ann & Hope and Maloney's included:

Show photos, Pp. 52-53.

- Stable prices. Manufacturers have been holding the line on prices for the first half, a Zodys executive noted. Price increases have averaged about 5%, with a change for a buy-in at the older, lower cost, a Best merchandiser added.
- Availability of merchandise despite some manufacturers' reports of tight inventories. A Jamesway buyer explained that the chain's housewares programs and the goods to support them were set before the show. An Ann & Hope merchandiser added that manufacturers were able to "squeeze out" the quantities needed for his chain of four stores.

Conservative buying was the concern of an H. J. Wilson executive. "Buyers could end up without enough goods to sup-

(Continued on page 60)

Jamesway Aims Its Expansion At N Y-N J Area

SECAUCUS, N.J.—Jamesway, which sold its three Ohio stores to Harts Family Center, will open at least three units this year—including two acquired stores—as it focuses its expansion within the tristate New York, New Jersey and Pennsylvania area.

Next month the discounter will open two 65,000-sq.-ft. stores in New Jersey: one in Flemington, a former Barkers; and one in Pompton Plains, a former United Discount Store. A third new store is slated to open in Carmel, N.Y., this fall.

Jamesway is also negotiating the financing of a projected 43,000-sq.-ft. store in Kenneth Square, Pa., a suburb of Philadelphia, as well as the acquisition of a number of other units, a company executive said.

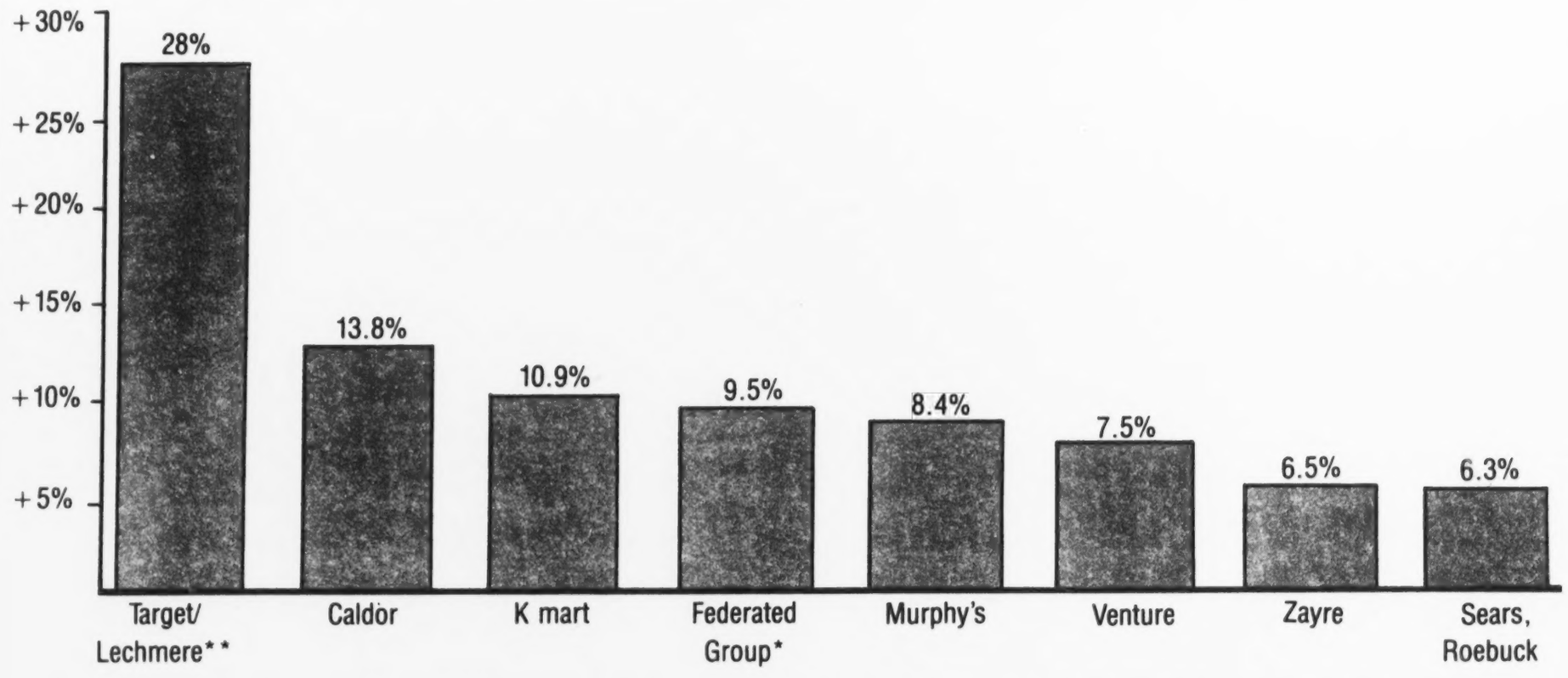
The three new stores will bring Jamesway back to 63-store strength.

Harts at presstime reopened the three former Jamesways in Celina, Del. and Greenville, Ohio. These three stores boost Harts' count to 22, with 20 in Ohio and two in adjacent West Virginia.

Jamesway had sold the three Ohio stores, the executive ex-

(Continued on page 6)

Target Hits the Mark With December Sales



Target, as the dominant Dayton Hudson discount department store chain, led the way in December sales gains, with a 28% rise (along with Lechmere, the other arm of DH's "low-margin" group). Sales gains at Target only, during the combined November-December sales periods, were 25%, and group volume increased 51% (for December) when the 40-store Ayr-Way volume was added in. Dayton Hudson reported an overall same-store gain of 11% for the December period, with Mervyn's, the California-based soft lines chain jumping 33%. K mart, with sales during the period ended Dec. 31, 1980, of $2.3 billion, rebounded from its dismal single-digit increase in the preceding month to a 10.9% gain, still weak for the chain that used to average 17%-18% gains. Caldor, which was working on a strong 1979 Christmas (almost 20% higher sales that year) managed a 13.8% increase over 1979 with sales of $130.3 million. Murphy's 8.4% sales gain came in a season when the chain operated 450 stores, 28 fewer than had been in operation during the preceding Christmas. Executives of most chains credited the last few days of the season with very strong sales, and added that the strong sales continued after Christmas and into January. "The shoppers waited until the last minute," said a Zodys merchandiser, "and then they started spending. They had some money left after Christmas, and they kept on spending."

***Target and Lechmere comprise the Dayton Hudson "low-margin" group, and recorded a 28% gain in combined volume in December. Inclusion of the 40-store Ayr-Way volume boosts the gain for the group to 51%.*

**Federated's "mass merchandising" group includes Gold Circle, Gold Triangle and Richway. Much of the gain reportedly comes from Richway.*

Industry Talks Point to Personnel Training, Energy-Saving Innovations

Bradlees Revamps Management Preparation

NEW YORK—Bradlees has a new management training program, and with it comes a fresh, decentralized approach to all areas of human resource development.

The emphasis is not only on a new idea, but also on how to teach and learn the idea, diffusing it from headquarters into the field, an all-important progression for regional chains like the 80-unit Bradlees. Checks to assure achievement of three goals—assessing needs, ongoing communications, and educating managers and personnel on all levels—were built into the program.

The Manager Orientation/ Training Program was a year in the works, three months in the testing stage, and has been in operation for about six months, a Bradlees spokeswoman told the annual National Retail Merchants Association convention here. The internally developed program assimilates the best training methods from each of the chain's regions, where training programs used to originate.

The Human Resource Development (HRD) staff has devised several reporting tools to keep new practices, which affect personnel from part-time to corporate ranks, in check.

"Our objective is simple: to make sure people know what they need to know to get their jobs done," Ann Johnson, HRD manager, told the assembled retailers. "By educating managers, we keep ourselves educated."

The management training program focuses on six areas: shipping and receiving, flow of merchandise, accounts payable, personnel, front-end and loss prevention. A trainee becomes a department manager in four weeks or a sales manager in about six months. Training is supervised by a senior trainer who schedules training films; distributes the Bradlees dictionary of terms and the "red book," which includes checkoff sheets in which trainer and store manager follow trainees' progress; and is in constant communication with each trainee under his or her supervision.

Although training procedures have been streamlined so each trainee is apprenticed under the store-level personnel in charge of each of the six areas of study, without evaluation checkpoints instructions might get put on the back-burner during major in-store events, Johnson explained.

"The most important single document is the performance appraisal," she said.

Performance sheets, like those in the red book, help distribute responsibility and keep open communications between Braintree headquarters and stores.

Frequent meetings with division heads, personnel staff, store managers and regional trainers at headquarters are also part of the plan, taking place as often as every period. (Bradlees is on the period calendar; one period is four weeks long.)

In addition to going into the files at Braintree and stores,

(Continued on page 59)

K mart Electrical Usage Cut By Conservation

TROY, Mich.—K mart reduced electrical consumption as much as 19% last year in stores that installed energy conservation controls in 1978.

The energy conservation programs, which generally pay for themselves in a year, include coupling lighting to store computers, installing better dampers on heating and cooling system, installing load shedders to reduce peak electrical demand and using infrared heating instead of fossil fuel heat in auto service centers.

An 84,000-sq.-ft. store in Cleveland, Ohio, recorded a 19.1% drop in total kilowatt-hour consumption in 1979, according to Emmett W. Mills, K mart's supervisor of utilities.

Mills, speaking before the National Retail Merchants Association meeting in New York recently, said the program also required stores to set thermostats at least 10 degrees lower from one-half hour before closing and put back on the following morning.

In some stores, Mills said, load shedding devices were also installed to prevent lighting and heating or air conditioning units from being turned on simultaneously at opening time in order to minimize usage during peak demand periods. In stores without the equipment, personnel were instructed not to turn on lighting until the store's normal temperature had been reached.

Corporate studies also have revealed to the chain that 20% of a store's heating bills comes from its auto service center, which accounts for only about

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In This Issue...

GOOD SPORTS. Sporting goods buyers will skew mixes to basic soft lines and growth-potential hard lines in 1981. P. 17.

NO FUN IN GAMES. There wasn't much fun in games, be they electronic, board or preschool, as last year drew to its disappointing close. P. 25.

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Vol. 20, No. 3 Feb. 9, 1981

Glendinning Regional Insert—Pp. 24A-24B.

Goldberger, Hills Founder, Pres., Steps Down

CANTON, Mass.—Herbert H. Goldberger, founder of Hills discount department stores, stepped down Jan. 31 after 24 years as president.

Following in his footsteps as chief executive officer will be his son, Stephen A. Goldberger, formerly executive vice president.

The senior Goldberger will retire to Florida but remain affiliated with Hills' parent company, SCOA Industries.

Peter Hays, vice president, hard lines merchandising, will replace the younger Goldberger as the new vice president, merchandising and sales promotion.

John C. Brouillard, senior director, finance and management systems, will be the new vice president, finance and administration.

Eugene J. O'Donnell, divisional merchandise manager, hard lines, will be the new vice president, hard lines merchandising.

And Leonard M. Casey, hard lines buyer, will take O'Donnell's place as divisional merchandise manager, hard lines.

Herbert H. Goldberger

Ammo Is No. 1 on PMA Hit Parade: P. 46

Sporting Goods Show Section

DISCOUNT STORE NEWS FEBRUARY 9, 1981

Stay-at-Home, Fitness Trends Cheer Buyers

Upgraded Hard Lines, Basic Soft Goods Key '81 Plans

Nationwide DSN Report

Discounters today are finding the formula for sporting goods department success includes upgraded hard lines and a return to basics in soft lines—with the stay-at-home phenomenon and physical fitness craze adding extra sales.

Although the 1981 outlook for sporting goods is good—especially in the second half of the year—buyers are not reporting extensive overall expansion of departments. Rather, they are cutting selection in some areas in order to make room for new items in one or two growth sections.

Sporting goods is an area that has attracted increased promotional attention. While most promotions focused on popular categories such as exercise equipment, combination rod and reel sets and lawn games, some have also been seen in high-ticket items such as rods, reels and firearms, offsetting sluggish sales patterns and inducing impulse accessory buying.

High-margin fishing and camping accessories (other than Coleman products) have also been drawn into the promotional action due to their traffic-pulling potential.

An area gaining attention is boxing equipment, thanks to a host of very popular boxing-related movies, such as Rocky, Rocky II and Raging Bull. While for most discounters the

(Continued on page 48)

Gross Margin, Sales Per Sq. Ft. Rise Nearly 4%

	1970	1974	1975	1976	1977	1978	1979	1980	10-year change	5-year change	'80 vs. '79
Dept. Size (sq. ft.)	2,200	2,500	2,500	2,500	2,600	2,650	2,550	2,500	+12.0%	NC	– 2.0
Annual Turns	2.6	3.0	3.0	4.5	4.3	3.5	3.5	3.1	+16.0%	+ 3.2%	–11.4%
Volume per sq. ft.	—	$69.00	$72.00	$122.58	$118.34	$120.32	$124.13	$129.00	—	+44.2%	+ 3.8%
Initial Markup	31%	33%	34%	34%	34%	34%	35%	35%	+11.4%	+ 5.7%	NC
Gross Margin	29%	26%	27%	26%	29%	26%	27%	28%	– 3.4%	+ 7.1%	+ 3.6%
Company-run	81%	90%	91%	96%	96%	96%	96%	96%	+15.6%	+ 6.3%	NC

NC—No change. *Source: DSN Research*

Improved sales performance—a nearly 4% increase in gross margin and volume per square foot—has discounters taking a closer look at their sporting goods departments.

The continued emphasis on activewear selections, for one, will mean bigger departments, higher sales levels and improved gross margins. Department profits should also benefit from the consumer shift to family-oriented sports—fishing, backpacking, and camping. This shift has already spawned sales growth in these categories, and has convinced many chains to develop stocks of accessories—a high-margin area which will pump extra profitability into the department.

Many chains have cut back on their firearm business—another move that has improved overall gross margins.

Discounters also benefited from a trade-up trend in such categories as exercise equipment and lawn games, but some of the profit potential was dampened by accelerated promotional activity in these areas.

Fishing Gear Is Cast in Role of Strong Biz Gainer

Discounters Spur Imports, Especially of Terminal Tackle

Discounters pick fishing gear for another year of volume growth, based on strong sales patterns during 1980 and continuing consumer demand for inexpensive leisure-time activities.

Combination sets—popular among occasional and inexperienced fishermen—were popular ad highlights last year and promise to repeat that function in 1981. Terminal tackle and other accessories were also steadily tapped for promotion last year, although in 1981 buyers plan to continue developing methods to stop the margin erosion this promotional activity triggered.

For instance, major efforts are being made at T.G. & Y., Roses, Hills and Prange-Way to fine-tune jobber servicing of fishing departments by restricting item listings and planogramming item layouts.

Roses began its planogramming program with terminal tackle and lures, and buyer Steve Overcash attributed the department's sales and profit growth last year to the system's ability to keep up with these fast-moving, high-margin items. "Our stores are jobber-serviced every two to three weeks," he said. "In this way we manage to keep a good in-stock position, improve stock turns and keep in touch with the different regional tastes within our selling area."

Roses' Stores and Prange-Way shored up category margins by creating their own label in combination sets—hand-tailoring the selection let the chain determine and control margins.

"I went for price point and cosmetic attractiveness," said Overcash. "I can control the margin levels since customers can't so easily make price comparisons with our competition's selection."

Contents of the Mix

Overcash carries 10-12 custom-made combo sets to augment his selection of prepackaged sets. He works for a 25% to 33% gross margin with this mix, and maintains price points in the $16.97 to $22.97 range. Combos are advertised eight times a year.

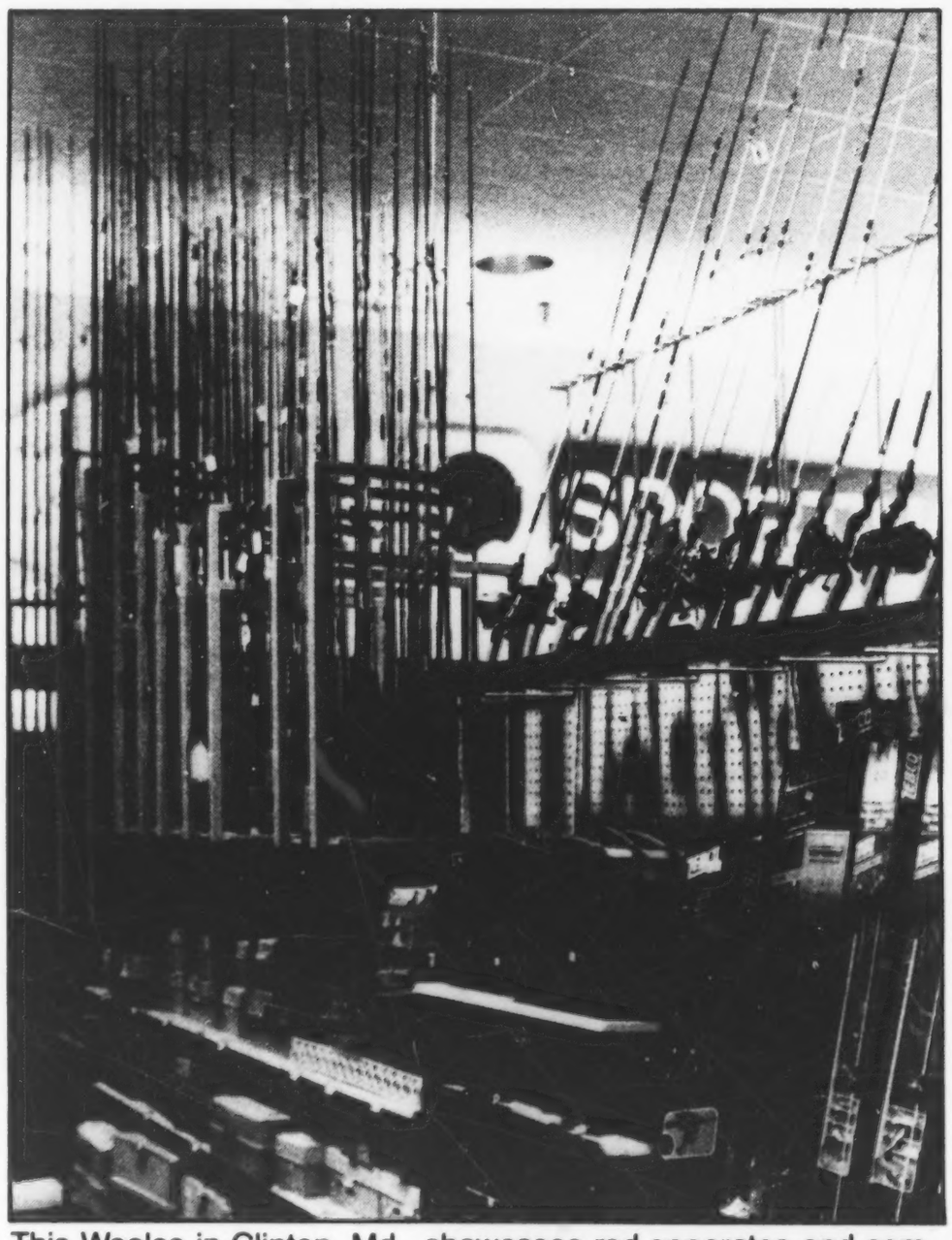
Prange-Way also advertised its combination sets eight times—from late March until Father's Day—at gross margins between 10% and 25%, according to buyer Gene Arnold. Arnold went heavily into combination sets last year with 20 sku's of prepackaged combo sets.

David Husher, buyer at ALCO, took a different tack with his assortment of fishing gear, which he described as "fish out of the trunk of your car" basics. ALCO offered 20-25 combination sets (mostly Zebco products priced between $7 to $40), the strongest dollar contributors, according to Husher.

Promotional activity was minimized to a five-times-a-year schedule, keyed primarily to gift-giving holidays, at less than 10% gross margin. "The ad activity brought consumer awareness of our selection," said Husher. "Everyday sales of combination sets were very strong, and reaped a 35% to 40% gross margin."

More and more discounters, such as Woolco, Hills and T.G. & Y., are building more profitable fishing sections by

(Continued on page 48)



This Woolco in Clinton, Md., showcases rod separates and combination sets in a unique rack display that allows the items to be stacked. *(DSN photo)*

Toy Fair Section

Patrons Resist

(Continued from page 25)

Preschool sets priced above $10 experienced a sales falloff. This was an unusual trend for this category—most buyers had believed that parents would be willing to pay a high price for these toys. The best evidence of this price resistance could be found in the widespread markdowns in post-Christmas sales.

Shifting Emphasis

As a result, the preschool category will undergo heavy pruning for next season, as buyers shift inventory dollars into lower-ticket items.

Razor-thin profit margins, cost increases and heavy competition have convinced many buyers to pare sku's of other big-ticket, highly promotional categories—especially electronic games and other TV toys—and to continue to emphasize higher-margin basic toys that can pull in traffic yearround.

"We've all but walked away from TV dolls," said Richard Casey, merchandise manager, Bradlees, where the category was shaved from 7-8 sku's to 2-3 for 1981. "There's no play value and customers resist the high prices. We'd rather put our money into good, basic dolls."

Burl Ratcliffe, buyer at Heck's, feels that some of the prices for electronic games were out of step with those traditionally expected at discount chains. "We're moving into staple goods and getting out of big-ticket items that get footballed all the time," he said. "We don't want to lose touch with our discount image and that means sticking with quality items at certain price point levels."

Ratcliffe plans to add another 12 to 16 running feet to his board game category (currently 44 feet) to stock more quantities of the same sku's. The move is just one of the steps the chain plans.

Merchandising Move

One category that has come to the rescue of the toy business's bottom line is miniature wheel goods. Toy buyers are extracting extra gross margin dollars by adding imported and domestic off-brand lines to their selections, a move that brings variety and lower price points from which to choose. These off-brands are winning considerable consumer acceptance in a category once dominated by Matchbox and Mattel's Hot Wheels. Since these latter two manufacturers have increased their costs, consumers appear willing to switch over to less-expensive, lesser-known models. The icing on the category's cake is that promotional emphasis isn't needed to spur sales.

Preschool, board games, plush and model sets will continue to receive more attention from discounters in 1981, as they did last year.

Road race, radio-controlled and train sets vied with electronic games for the same customer dollar and lost. Most consumers tended to purchase only one or two big-ticket toy items this past Christmas, and when it came to making a choice between the two, the more exciting electronic game won the sale.

This year could become one of the most basic toy years in recent memory if buyers stick with their avowed strategies, and if the consumer continues to prefer toys with good play value, at reasonable prices.

Toy Dept. Sales Per Sq. Ft. Rise Nearly 8%

Toys	1970	1974	1975	1976	1977	1978	1979	1980	10-year change	5-year change	'80 vs. '79
Dept. Size (sq. ft.)	3,300	2,746	2,800	2,746	2,646	2,646	2,646	2,660	−19.4%	−5%	+0.5%
Annual Turns	5.0	4.5	4.5	3.8	3.8	3.7	3.7	3.8	−24%	−15.5%	+2.7%
Volume per sq. ft.	—	$87.00	$85.00	$111.60	$116.28	$120.50	$130.03	$141.00	—	+39.7	+7.8%
Initial Markup	32%	33%	34%	33%	34%	33%	33%	36%	+11%	+5.5%	+8.3%
Gross Margin	28%	28%	29%	29%	29%	28%	26%	29%	+3.4%	NC	+10.3%
Company-run	88%	94%	94%	96%	96%	96%	96%	96%	+8.3%	+2%	NC

NC—No change *Source: DSN Research*

Toy department sales per square foot jumped nearly 8% industrywide in 1980 (on a minimal square footage gain), once again aided by extra dollars from high-ticket electronic games as well as from increased turnover of faster-moving basic toys. Price increases also pushed volume higher.

The move to more basic selections was reflected in the 10.3% climb in gross margins and the 8.3% rise in initial margins over those reported in 1979. Based on 1980 results, toy buyers say they will be giving higher priority to lower-price-point goods.

Last year, many found consumers refusing to buy costlier preschool and plush toys and traced the greatest unit movement among the lower-priced items in these categories. Also, the buyers were trimming inventories and avoiding TV toys.

Die-cast Biz

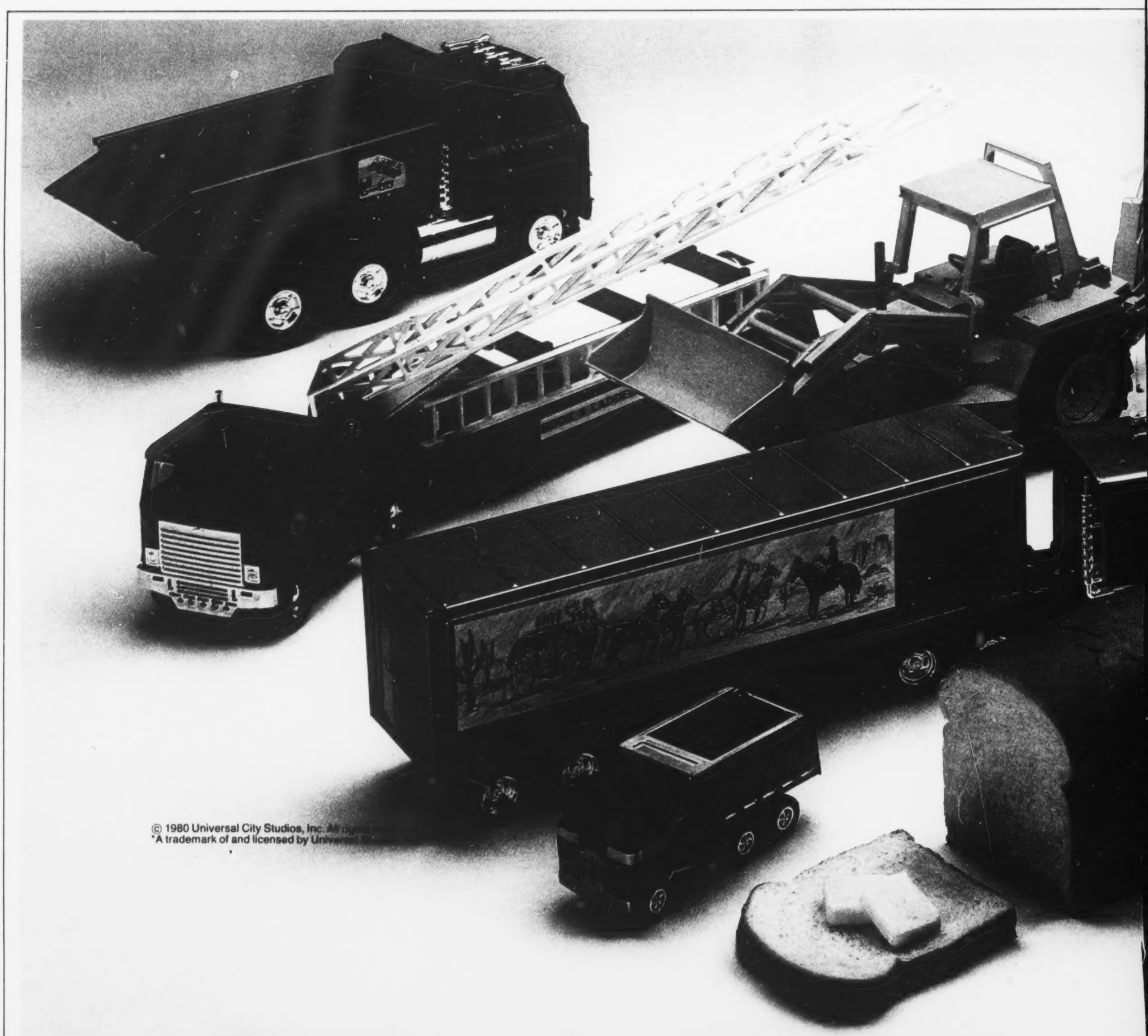
(Continued from page 25)

"We don't advertise die-cast toys much," said Lionel Gleichenhaus, vice president of merchandising, Jefferson. "They're impulse items and their initial price is already very low to spur sales." The chain has run a dollar-day promotion on its import lines from Kidco and JRI, however.

Heck's buyer Burl Ratcliffe features two "take your choice" ads during the fourth quarter, shaving prices on the Big Two to 88¢, and his import line (JRI) to 66¢. Three weeks before Christmas, Caldor promoted Hot Wheels for 97¢ (regularly priced at $1.29), and Matchbox vehicles at 99¢ (also $1.29 everyday).

The fourth quarter also sees discounters expand selections to include die-cast play sets. At ALCO, buyer David Hayes has had such success with the sets that he now carries 10 sku's year round. "The sets give the customer more play value per purchase at a better price." Hayes promotes the under-$10 sets several times during the last months of each year.

Roses, however, limits its assortment of play sets. "Sales are only good in the last 60 days of the year," Shatley explained.



Your bread and butter line.

Everyone's talking about getting back to basics, where the steady profits are. But that's right where ERTL Toys have always been. Here in the Iowa breadbasket, we produce your staple diet—a full line of basic, fast-moving steel and die-cast toys with the quality, detail and unbeatable prices your customers eat up. Nobody buys just one.

And this year, ERTL has enriched the line with a new smaller 1/48-scale Kenworth steel truck series. That means you can offer a full selection of Blueprint Replicas™ in all three of your most popular sizes.

Discount Store News

PRODUCT MOVEMENT AUDIT

Ammo Triggers Yule Promos in Sporting Goods

By Don Petti
President,
Stem Distributors

Christmas promotional activity was on the minds of discounters as orders for BB guns, basketballs, ammunition and assorted camping take-alongs (flashlights, pocket knives and compasses) headed the Product Movement Audit for the month ended Dec. 1.

First place went to the Remington 22-cal. LR Thunderbolt ammunition, representing $10,658 at retail on the shipment of 7,300 items. Over 80% of the dollar movement came on promotional buying. In second place was the Ash Disposable Flashlite; 86% of the 6,168 units shipped were on ad.

The Spalding Dribbler basketball ranked third, with more than 90% of the 708 units on promotion, representing $8,574 worth of orders for the month. This was a popular gift item this past Christmas.

In fourth place was the Daisy Pal BB Gun Repeater, a favorite first-gun gift for beginners. During the month, 507 pieces were sold, nearly 74% of them bought on promotion.

(Continued on page 47)

Activewear

(Continued from page 22)

partment. The newly formed section also includes a 30-in. Spalding performance sock program.

Bob Caliento, divisional merchandise manager, Caldor, had brand quality and price points in mind when he created a casualwear section. "Casualwear has become affordable again," he said. "More customers are turning to the more affordable basic sweatsuits today."

Caldor gives 15 ft. of double piperacks to basic sweatshirts, jackets and pants, Wilson fashion sweats (also called separates) for $8.99 to $22.99, and Winning Ways warm-ups, priced as high as $55 for velour suits. Wilson running shorts, ranging from $9.99 to $11.99, round out the apparel mix.

Caldor promotes the category almost weekly. During one such sale (held three weeks before Christmas), basic and fashion sweats were promoted for $6.74 to $16.40, while Wilson running shorts sold for $7.20 to $8.20.

Woolco stocks gray and navy sweatjackets, pants and shirts on 18-ft. cube shelving (four shelves), and highlights its fashion warm-up suits off a row of 10 waterfall racks. Both assortments are kept within the chain's price-point range for basic apparel.

SPORTING GOODS

These sporting goods figures, for the November to December period, were supplied by Stem Distributors, Maple Heights, Ohio, and cover 85 chains, representing 600 full-line discount stores. Stem distributes to 22 states east of the Mississippi River.

HUNTING AND AMMUNITION

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	TB22 Remington 22 LR Ammo Thunderbolt	7,300	1.46	10,658
2	7105 Daisy Pal BB Gun Repeater	507	13.60	6,895
3	40 Daisy Giant Pack BB Shot	4,572	1.50	6,858
4	179 Daisy BB Six Gun Pistol	391	13.14	5,138
5	737 Crosman Super BBS Milk Ctn	2,592	1.33	3,447
6	1500 Remington 22 Cal 100 Pack LR Ammo	1,000	3.29	3,290
7	5760/760 Crosman BB/177 Rifle	89	33.32	2,965
8	STLI1-4 Remington Steel Shot Sheel	300	9.55	2,865
9	30064 Remington .30-06 Spr-field 180GRGR	281	9.71	2,729
10	STL12-2 Remington 2¾ Steel Shot Shell	440	5.72	2,517
11	DQ12-8 Remington Dove-load S/G Shell	440	5.72	2,517
12	SPI1-6 Remington 2¾ Express Shell	260	7.60	1,976
13	STL12-2 Remington 2¾ Steel Shot Shell	200	3.55	1,910
14	5766/766 Crosman BB/177 Pellet Rifle	46	40.03	1,841
15	SPIA-5 Remington 2¾ Express Shell	240	7.60	1,824
16	R30301 Remington .30-30 Shell 150GR	235	7.62	1,791
17	2200 Crosman .22 Cal Pellet Rifle	38	43.15	1,640
18	1377 Crosman Pump Pistol BB/177	44	33.97	1,495
19	SPI6-5 Remington 2-3/4 Express Shell	200	7.30	1,460
20	SPI2HMAG4 Remington 12GA 3-in Magn Shell	120	11.82	1,418

FISHING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3490 Zebco Combo 33 Reel w/3366 Rod	80	28.74	2,299
2	ML40 Shimano Skirted Spinning Reel	58	29.61	1,717
3	MII0 Shimano Skirted Spinning Reel	64	25.82	1,652
4	3790 Zebco Combo 808 Reel w/8965 Rod	31	39.17	1,214
5	6312 Daiwa 6' 6" Spin Rod Med/Act 2PC	43	19.28	829
6	1515 Zebco Combo US76/4077 Rod/Lure	49	15.71	770
7	Zebco Combo 600 Reel w/4060 Rod	43	17.18	739
8	808 Zebco Spincast Reel Heavyduty	31	23.05	715
9	6313 Daiwa 7' Spin Rod 2 pc	37	19.28	713
10	1245 Zebco Combo 202 Reel w/2023 Rod	68	10.16	691
11	6430P Diawa 5' 6" Cast Rod	26	24.54	638
12	6019 Diawa 5' Ulspin Rod 2 pc	33	19.28	636
13	1545 Zebco Combo 404 Reel w/4040 Rod	46	13.74	632
14	1663CG Diawa 7' Popping Rod	34	18.35	624
15	MC2-38 Diawa Minicast Combo	18	32.34	582
16	90CGP Diawa 5' 6" Cast Rod 2 pc	36	15.76	567
17	144XL Zebco Spin Reel Close Face	21	25.53	536
18	1682CG Diawa 6' 6" Spin Rod 2 pc	32	15.76	504
19	1340ACGP Diawa 5' 6" Cast Rod 1 pc	38	12.27	466
20	9300/231AP Diawa Spincast Combo	35	12.66	443

CAMPING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Ash Disposable Flashlite	6,168	1.51	9,283
2	Champion Gal. Camping Fuel	1,392	4.58	6,370
3	4040 Sterno Fuel 3/5M Can Pak	1,860	2.61	4,855
4	Ash Anglehead Camper 2D Lite	1,680	2.40	4,028
5	Precise Scout 4-Blade Knife	843	4.11	3,465
6	11128 Precise Rancher 2-Blade Knife	571	3.66	2,090
7	1735AS Flambeau Sportsmen Mug	162	11.73	1,900
8	1129 Precise Fisherman 2-Blade	536	3.34	1,792
9	127 Igloo Fiesta 12-Pack Cooler	80	15.33	1,226
10	BPFNF6 Rapla 6" Fillet Knife	98	8.58	841
11	Ash Disposable Pocket Lite	684	1.17	802
12	11835 Precise 1-Blade Fold Deer Knife	39	16.45	642
13	16931 Precise Scout Swiss Knife	33	15.75	520
14	23212 Precise Pathfinder Compass	106	4.81	510
15	7876 Allison Galaxy Compass	89	5.11	455

(Continued on page 47)

GE Rechargeables. The now generation in profitable power.

The General Electric Rechargeable Battery System.
Made for *today's* world of many battery-powered electronic devices. GE Rechargeables are right for them—and right for you:

- With higher gross margins per sale than throw-away batteries!
- Built-in repeat sales—1 charger can pull through 8 battery sales in a year!
- Average annual profits were, in one case, as high as $11,985* per square foot!

The NOW battery your customers will demand
Revolutionary General Electric Rechargeable Batteries can last for years. They're today's simple, convenient alternative to throwaways. And exclusive features like our GE Double Charger will build customer loyalty to GE Rechargeables fast—for more sales and more profits.

A Program with PULL
General Electric pulls customers into your store looking for the savings, performance, and the convenient advantages of GE Rechargeable Batteries with:

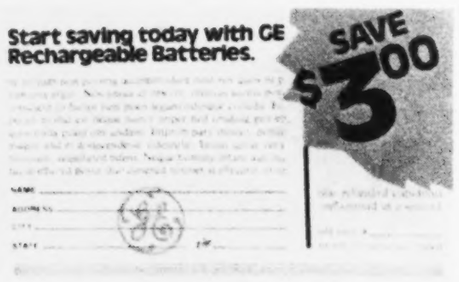
- National consumer advertising
- $3.00 Rebate Coupons—consumer print, ad slicks and P.O.S.
- Major network TV game show exposure
- New, high impact pre-packs and merchandising aids
- Co-Op—a great new radio jingle and ad slick program
- Multi-million consumer impression PR campaign

National Print Ad with Coupon

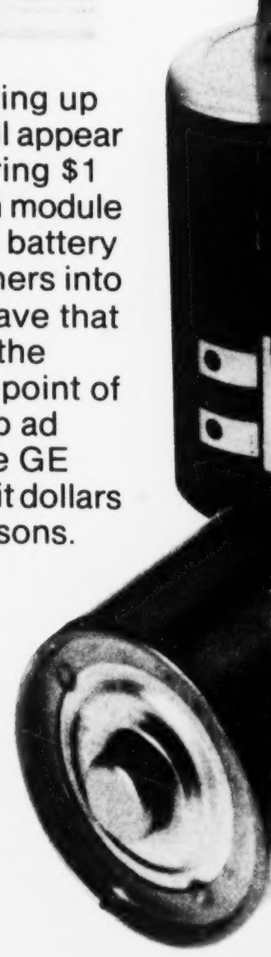
In the fourth quarter, major consumer magazines like MONEY, PARENTS, LADIES HOME JOURNAL, REDBOOK, BETTER HOMES AND GARDEN, and NEWSWEEK will feature full page, full color GE Rechargeable Battery ads which inform, educate, and motivate your customers. And the $3 Rebate Coupon in every ad—over 18,000,000 coupons in all—sells the profitable system designed to deliver the steady power today's electronic toys and devices thrive on.

The performance battery America will demand is GE Rechargeable.

$3 Consumer Rebate



First, the coupons offering up to a *$3 system rebate* will appear in consumer print, offering $1 off on each charger, each module with batteries and each battery package. Pulling customers into your store. And you'll have that same coupon again on the pre-pack display at the point of sale and...in your co-op ad slicks to turn even more GE Rechargeables into profit dollars during peak selling seasons.



K mart, Milford, Conn., carries 26 ft. of outdoor games. Like other discounters, the chain is tuning in to the renewed growth in this category. *(DSN photo)*

SPORTING GOODS

(Continued from page 46)

Curr. $ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	COLEMAN			
1	220 K195 Dbl Mantle Lantern	151	42.65	6,440
2	425 E499 2-Burner Stove	89	42.45	3,778
3	Adj. Catalytic Heater	36	62.40	2,246
4	275-710 Lantern	45	44.50	2,002
5	5114-700 Propane Lantern	64	30.99	1,983
6	16.402 Propane Fuel	492	3.57	1,756
7	413G 499 2-Burner Stove	24	56.43	1,354
8	Propane Stove Econ.	14	55.46	776
9	Oscar Cooler 4 Gal	36	11.53	664
10	275A0481 Globe F/275-5114 Lantern	108	4.18	451
11	690-0481 Clear Globe for 220	138	3.14	433
12	220E5891 Lantern Generator 220	102	3.04	310
13	275-764 Case F/220-275 Lantern	20	15.28	306
14	220 137101 Lantern Accessory Kit	65	4.34	282
	MISCELLANEOUS			
1	Spalding Dribble Basketball	708	12.11	8,574
2	Spalding M. Johnson Basketball	492	13.97	6,873
3	X4000 MacGreg Bill Walton Basketball	126	17.06	2,150
4	MacGreg Buddy Boxing Set	65	29.70	1,931
5	MacGreg Speed Bag 13 X 8	72	25.34	1,824
6	25235 Precise Pedometer Stride Adj	123	14.30	1,759
7	SB100 Asst Roll Solar Belt	252	3.83	1,688
8	SS300 Lrg Boll Solar Shorts	95	10.10	1,680
9	SS300 Med Boll Solar Shorts	78	10.10	1,379
10	X1000 MacGreg Basketball	180	9.08	1,364
11	HH-20 MacGreg Speedbag Platform	40	29.38	1,175
12	61-723 Spalding Pele Soccerball	78	14.14	1,103
13	SBL501 MacGreg Le Continental Soccerball	72	8.65	1,090
14	HS106 MacGreg Speed Bag 11 X 8	28	34.51	966
15	SBR50 MacGreg #5 Americana Soccerball	90	10.50	945
16	HS113 MacGreg Speed Bag 10 X 7	60	13.82	829

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Ammo Promos

(Continued from page 46)

The Daisy Giant Pack BB shot ammunition ranked fifth, most likely for tie-in sales with the BB gun orders. Four thousand five hundred and seventy-two units were shipped during the period, 96% on ad.

Close behind the BB shot ammunition was the Spalding Magic Johnson basketball in sixth place, representing $6,873 in retail dollar volume. Of the 492 items shipped, 90% were on ad.

Retailers also were urging camping-related gift-giving with orders for Coleman's 220 Double Lantern. The 151 units ordered needed no boost from ad sales as this is a strong year-round seller.

Another high-ranking tie-in sale item was Champion 1-gal. Camping Fuel, which came in eighth representing $6,370 in total volume on shipments of 1,392 units. No promotional movement was reported for this item.

The Daisy BB Six Gun pistol was also a popular gift item this Christmas, not only for its appeal to teenagers as first guns, but also for its relatively lower price point. Shipments of 391 units—99% of which were bought on ad—put the item in ninth place.

Completing the top 10 products for the month was the 737 Crosman Super BBS Milk Carton—with 2,592 units shipped.

Honorable mention must be given to the boxing equipment items which made it to the top 20 products within miscellaneous sporting goods. This is a new line for Stem, and it's right in the heart of its selling season as ad merchandise. Leading the category in unit sales was MacGregor's Buddy Boxing set, of which 65 units were sold (17 on ad).

Rods and reels loose and in combination sets shared equal footing within the top 20 fishing gear items. Combinations sold well on ad at Christmas, as fishermen looked for inexpensive fishing equipment this past year. But rod and reel separates are beginning to make a comeback as consumers replace older equipment. Eighty of Zebco's Combo 33 reel with 3366 rod were shipped—representing $2,299 in dollar volume. Half were sold on promotion.

Outdoor Games

(Continued from page 22)

Husher links the growth to the women's softball leagues that have sprouted up in his selling markets.

"More women are working and joining leagues sponsored by the local parks," he explained. "Slow-pitch softball is viewed as a good, easy going form of exercise."

Softball plays an important traffic-drawing role in the outdoor category, especially in gloves. "Gloves are very competitive in our markets," said Kilgore. "The profitability potential is high initially in gloves, because people buy brand and quality rather than go for price."

410,000,000
Adult Impressions

General Electric Rechargeables will be featured on many of

America's most popular nightime TV game shows. Delivering over 410,000,000 adult impressions. Educating those viewers. Building demand. Building preference. BE READY for them. Stock the full GE Rechargeable line for great profits per square foot from your battery space.

PROFITS

An extremely successful profit story—one West Coast mass merchandiser reported estimated annual profit per square foot averaging $11,985.* This can become even more impressive with the impact of GE's complete new 1981 program.

The product and the program that mean profits for you are here. So write your own success story with the General Electric Rechargeable Battery System—today's profitable alternative to throwaway batteries.

We bring good things to life.

GENERAL ELECTRIC